



CCPA and Pendency of Case

[Source: IE](#)

Why in News?

Recently, the [Central Consumer Protection Authority \(CCPA\)](#) imposed a penalty of Rs. 3 lakh on an advertisement by an Edtech platform that was found to be "**false and misleading**" under Section 21 of the Consumer Protection Act.

What is the Central Consumer Protection Authority (CCPA)?

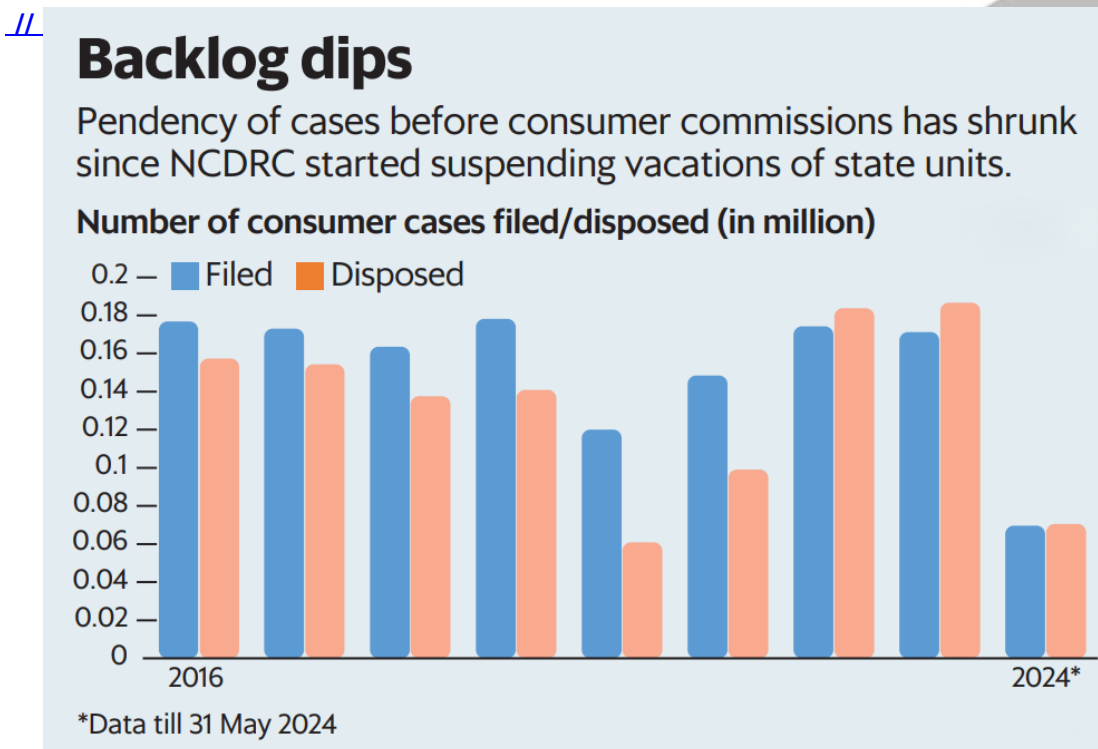
- **About:**
 - CCPA is the **regulatory body** established under **Section 10** of the [Consumer Protection Act \(CPA\), 2019](#), it regulates matters related to consumer rights violations and unfair trade practices.
 - The act empowers the CCPA to **prevent false or misleading advertisements** and ensure consumer rights are protected.
 - It operates under the **Ministry of Consumer Affairs, Food and Public Distribution.**
- **Section 21 of CPA Act:**
 - **Section 21** of CPA, 2019 grants the CCPA the power to **issue directions and penalties** against **false or misleading advertisements**. It provides **definition of Misleading Advertisement, Powers of the CCPA and Penalties** (imprisonment of up to 2 years and a fine of up to **Rs. 10 lakh**).
- **Benefits to Consumers:**
 - **Informed Consumers:** CCPA empowers informed consumer decisions by deterring deceptive marketing.
 - **Transparent Ads:** CCPA interventions promote truthful advertising practices.
 - **Trustworthy Claims:** CCPA discourages misleading claims, boosting consumer trust.
 - **Fair Competition:** It ensures competition based on product merit, not deceptive claims.

Case Study

Reducing Pendency in Consumer Courts through Suspension of Vacations:

- **National Consumer Disputes Redressal Commission (NCDRC) and state consumer commissions** have worked to clear the backlog of pending cases by suspending the traditional summer vacation practices.
- **Background:**
 - Since the **CCPA's inception (July 2020)**, **415,104 cases have been filed**, and **440,971 cases have been disposed of**, indicating a positive trend.
 - However, **555,000 cases are pending** before consumer commissions **as of December 2022**.
- **Addressing the Backlog:**

- In **2022**, the NCDRC started **suspending summer vacations for state consumer commissions**.
- The NCDRC cited the provisions of the CCPA, which state that **all commissions must follow the holiday schedule prescribed by the state government**, and there is **no provision for a summer vacation in any state office**.
- **Impact and Outcomes:**
 - In 2022, the NCDRC received 3,420 cases and resolved 4,138 cases, compared to 2,449 cases received and 2,011 cases resolved in 2021.
 - In 2023, the NCDRC **received 5,276 cases** and **resolved 6,422 cases**, further reducing the backlog.
 - As of May 2024, consumer commissions have **resolved 70,576 cases**, while **69,615 cases have been filed**, indicating a positive trend in clearing the backlog.
 - The introduction of **e-courts** has also contributed to the increased efficiency of the consumer dispute redressal process.



Note:

- Consumer forums are categorised into District, State, and National levels. According to the Consumer Protection Act, 2019, complaints can be filed based on the value of the claim.
 - District Consumer Disputes Redressal Commission (DCDRC) for claims up to **Rs 50 lakh**.
 - State Consumer Disputes Redressal Commission (SCDRC) for claims between **Rs 50 lakh and Rs 2 crore**
 - National Consumer Disputes Redressal Commission (NCDRC) for claims **above Rs 2 crore**.

What are the Initiatives for Consumer Protection?

- [Consumer Welfare Fund](#)
- [Central Consumer Protection Council](#)

- [Consumer Protection Rules, 2021](#)
- [Consumer Protection \(E-Commerce\) Rules, 2020](#)
- [National Consumer Day](#)

UPSC Civil Services Examination Previous Year Question

Prelims

Q.1 With reference to 'consumers' rights/privileges under the provisions of law in India, which of the following statements is/are correct ? (2012)

1. Consumers are empowered to take samples for food testing.
2. When a consumer files a complaint in any consumer forum, no fee is required to be paid.
3. In case of death of consumer, his/her legal heir can file a complaint in the consumer forum on his/her behalf.

Select the correct answer using the codes given below:

- (a)** 1 only
- (b)** 2 and 3 only
- (c)** 1 and 3 only
- (d)** 1, 2 and 3

Ans: c